

**PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA
COMMISSION DIRECTIVE**

ADMINISTRATIVE MATTER

☐

DATE

August 14, 2019

MOTOR CARRIER MATTER

☐

DOCKET NO.

2019-223-W

UTILITIES MATTER

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ORDER NO.

2019-567

THIS DIRECTIVE SHALL SERVE AS THE COMMISSION'S ORDER ON THIS ISSUE.

SUBJECT:

[DOCKET NO. 2019-223-W](#) - Application of Blue Granite Water Company for Approval of a Wholesale Water Supply Agreement with the City of Charlotte for the York County/Riverhills Subdivision Portion of Its Authorized Service Area - Staff Presents for Commission Consideration Blue Granite Water Company's Application for Approval of a Wholesale Water Supply Agreement with the City of Charlotte for the York County/Riverhills Subdivision Portion of Its Authorized Service Area.

COMMISSION ACTION:

Blue Granite Water Company currently provides water service to 4,442 customers constituting 5,595 equivalent residential connections in its York County/Lake Wylie service area. The water is purchased from York County which purchases it from the City of Rock Hill.

The utility's franchise agreement with York County, approved by Order No. 2018-325, requires it to provide backup connection facilities for water supply from Charlotte, and it is seeking to fulfill the terms of that contract. Specifically, it requests approval of a contract to purchase wholesale water supply for the provision of water service to its customers in the York County/Lake Wylie area.

Charlotte is to supply up to two million gallons per day of potable water at rates set forth in the city's current City Commercial Rates and Fees structure. According to Blue Granite, these rates include a monthly Water Availability Fee for an 8-inch meter of \$324.43 per billing cycle, a Commercial Water Usage Charge of \$2.81 per hundred cubic feet of water, and a monthly Water Fixed Fee of \$4.45 per billing cycle to Blue Granite.

Blue Granite asserts this purchase of service from Charlotte under the Agreement is the most appropriate means by which to address concerns regarding interruptions or reductions in the wholesale water supply from York County, and the alternative is to reactivate abandoned wells in the area.

Last, Blue Granite asserts that "approval of the Agreement will have no effect upon current customer service rates as they will not change as a result of such approval."

ORS has reviewed the Application, and, with one proposed condition, recommends the Commission approve the Wholesale Water Supply Contract with the City of Charlotte. The proposed condition is that the Commission require Blue Granite to purchase its water for the York County/Riverhills Subdivision service territory from the lowest cost water supply provider. Blue Granite responds that such condition should not be imposed because there is no such provision in the water supply contract and that such a requirement would in effect inappropriately amend the underlying contract.

After review of the filings in this Docket, I move that we approve the wholesale water supply agreement with the City of Charlotte. As to the condition proposed by ORS, I note that the rate impact of purchased water will be evaluated by the Commission at the next rate case, and that ORS and other parties may address utilization of least-cost supply in any purchase water recovery sought by the Company.

PRESIDING: Randall

SESSION: Special

TIME: 2:00 p.m.

	MOTION	YES	NO	OTHER	
BELSER	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
ERVIN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
HAMILTON	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<u>Absent</u>	sick leave
HOWARD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
RANDALL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
WHITFIELD	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
WILLIAMS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>		voting via telephone

(SEAL)

RECORDED BY: J. Schmieding

